

MEETING MINUTES
May 15, 2008

**GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND
SERVICES FROM THE HANDICAPPED**

The meeting was called to order by Chairperson Penney Hall at 10:00 a.m., May 15, 2008 at the F. Ray Power Building, located at the West Virginia Division of Rehabilitation Services office in Institute, West Virginia.

ATTENDANCE:

Committee: Penney Hall (Chairperson); Pete Cuffaro; John Liller; Everette Sullivan Jan Smith; Brenda Bates; Ron Price, Executive Secretary; Carol Jarrett, Recording Secretary.

WVARF Staff: Glenn McEndree; Chris Miller; Mike Turner; Ashley Hackney

Guests present: Paul Hall, Pretera Health Center
Craig Greening, JCDC

There was one change to the minutes as presented. On page 4, it should read 5 gallon bottles rather than 3 gallon.

MOTION #1

Ms. Smith moved to approve the minutes with the correction. Mr. Liller seconded. Motion passed.

COMMITTEE CHAIR REPORT:

Ms. Hall reported she had made hotel reservations for Committee members for the night of June 18 in Weirton. The meeting will be on June 19 at 10 a.m.

She reported the cost opening for the CNA was May 7 and is being reviewed.

Ms. Hall reported since the last meeting a contract was approved for the State Treasurer's Office in Morgantown. The FMP is \$1,497.84 for May 1 to June 30, 2008.

EXECUTIVE SECRETARY REPORT:

\$3,361.33 - Annual Allocation
0 - Total Expenses
\$3,361.33 - Balance Remaining FY'08

They have added \$3,000 into the account. Nothing was processed last month. No expense checks were processed last month.

EXECUTIVE DIRECTOR REPORT:

Mr. McEndree said they are continuing to look at the statewide laundry contract. According to our estimates, the state is saving nearly \$75,000 annually under this contract. Hancock County Sheltered Workshop continues to monitor customer satisfaction. He said they are not aware of any concerns or problems. Ms. Bates said she talked with Bud Anders, from the Workshop and he has some concerns regarding the increase in minimum wage. He is afraid the increase may put them out of the fair market price range. The Committee agreed this needs to be looked at and to communicate to DHHR the reason why the raise in the fair market price. Mr. McEndree said another concern with the laundry contract and other contracts requiring travel is the cost of fuel.

Mr. McEndree reported the Burnsville rest areas have been torn down. Mr. Liller asked if anyone is going to take care of the grass around the rest area because it is extremely high. Mr. Turner said they would get with DOH about the issue.

Mr. McEndree said they are continuing to work on costing of contracts to include an increase in minimum wage. They are somewhat limited to what they can do because the Purchasing Division has directed them not to contact agencies in regards to contracts.

He said he had spoken with SW Resources regarding the issue raised by Mr. Cuffaro concerning workers crossing the interstate highway. They assured him the issue would be addressed and taken care of.

CONTRACT PRESENTATIONS:

Ms. Hackney asked that Mr. Greening be allowed to make a presentation. Mr. Greening said JCDC had entered into a partnership with a company to do computerized medical transcription services. To date they have spent about \$15,000 on training three people to provide this service. The data from doctors will be transferred via internet instead of on a cassette tape to JCDC, who will then transcribe the material. This is really the only difference to what they are now doing. Currently, there are two contracts the state has for this service.

1) Disability Determination with DRS recently awarded a contract to an Ohio firm who had it the last time. Interestingly they lowered the price this year, because they must have been anticipating competition.

2) Welch, Bateman, and Sharpe hospitals had a contract out for bid on dictation equipment, however it was pulled at the last minute.

Bateman has three in-house staff doing transcription and they want to leave it like that. At Welch the current contract expires on June 14. Sharpe is planning to eliminate transcriptionists as they retire or move into other jobs. He said JCDC can serve as a backup for Bateman if someone is out ill or they have a lot of transcriptions piled up. The problem is that Purchasing is not willing to talk with him about the possibility of adding this service to the statewide contract because of the CNA services being out for bid. He said he has gotten mixed signals from Purchasing of what happens if something is already out for bid and a CRP indicates they can do the service. Can the bid request be pulled?

There was discussion among the Committee about what to do in light of the Purchasing Division's decision to halt new contracts until a CNA is approved. Committee members expressed the belief that the Committee should proceed with business as usual, since they are the ones which approve the contracts not the CNA. The

Committee decided to follow its regular procedures and send medical transcription services to Purchasing as an approved service. If Purchasing refuses to accept it than the Committee will decide what to do. Mr. Greening said he did not have the information the Committee needed with him. He said he would present it formally via e-mail to WVARF. Ms. Hall said when she received it from WVARF she would e-mail it to the Committee for approval.

During the course of the conversation the issue of adding state parks to the laundry contract was brought up. The laundry contract issue was somewhat different because it was viewed as a pilot program with the state hospitals. This issue needs to be revisited when negotiating the new statewide contract.

CONTRACT PRESENTATIONS:

Ms. Hackney presented the following contracts for consider:

WV Division of Culture & History, Charleston, for janitorial services during the Vandalia Festival. The contract period is May 23-25, 2008. The FMP is \$888.60 for two eight hour shifts with two people per shift. Goodwill Industries of Kanawha Valley will perform the work.

DOH, Janitorial Services, Mannington. The contract period May 1, 2008 – June 31, 2009. The FMP is \$1,908.96. The Op Shop was the only CRP which indicated interest in the contract.

MOTION #2

Mr. Sullivan moved to approve the contracts. Mr. Liller seconded. Motion passed.

CONTRACT COMPLAINTS:

Mr. Turner reported they are still meeting with the Department of Environmental Protection regarding their Kanawha City building floor. He said they agreed to use a dry machine to remove the wax from the floor as opposed to the flooding method which was being used. They still have not agreed upon a solution of a shinny floor versus a matted finish. The flooring was not designed to be shinny and DEP has been told this by Johnson Flooring, the manufacturer of the flooring. Another consultant is being brought in for an opinion.

Mr. McEndree shared with the Committee two letters which were sent by Emma Sue Smith, Executive Director of Green Acres Regional Center, and Paul Hall with Prestera Center to Michael Adkins, PEIA, and Cynthia Adkins, Retirement Board, in regards to bottled water. In the letter they apologized for any inconvenience that was caused by the lack of delivery and gave them five bottles of water.

Mr. McEndree said he offered both agencies 30 day waivers as directed by the Committee. However, he said they refused the waiver because they wanted a year waiver. He was not aware they could refuse a waiver. They are now receiving water from Prestera.

Mr. Hall addressed the Committee regarding this issue. He said they had experienced personnel problems and have brought back the previous manager. He said they are considering buying a larger truck so they can pick up more water at one time and deliver more. He said Prestera lost \$50,000 last year and it looks like they will lose \$20,000 this year.

The Committee expressed concern they were losing money on this contract. Ms. Hall said Emma Sue Smith had indicated last month that Green Acres would be bringing new costing information to the Committee for consideration.

OLD BUSINESS:

CQI

Mr. Turner reported work is continuing on the CQI program.

Ms. Hall reported the Standardization Committee has completed its work. She distributed the recommendations from the Committee regarding the types of equipment, chemicals, and paper products the CRP's are to use in State Use contracts. They also established a dress code which the people working on State Use contracts should abide by.

Ms. Smith said there was about \$2,000 left from the OS1 janitorial pilot program. She said while they do not plan to bring John Walker back to the state, they do plan on continuing to use the equipment and methods of the OS1 system. She said they would be using the \$2,000 to buy equipment and supplies. The Committee asked for a report from her and Fairmont State University on the project. This report should be submitted to the Committee in July.

FINANCIAL REPORT:

Mr. Miller reported the last six months year-to-date collections were \$8,713,151. He said he believes there will be about \$11.8 million in total sales for the year. The over 60 day's accounts receivables were \$106,778 or 8.02% of total receivables. Since the report was run the accounts receivables over days was \$46,000. The average time of payment is 62 days.

He said he had letters ready to go out from the Committee to DOH in Huntington; Laundry Services-Bateman Hospital; Medical Examiners in Charleston; and Temps for the Department of Administration.

Mr. Miller presented a budget for FY 2009. He said he is projecting sales of \$12.2 million dollars for the year. Ms. Hall said she wanted the Committee to have a look at the budget even though a CNA has not yet been approved. If WVARF is the approved CNA the Committee will look at this again at the June meeting.

NEW BUSINESS:

Ms. Hall presented changes to rules governing Committee activities. She explained that as the Fair Market Price Rules subcommittee made changes to those rules it also triggered needed rule changes in the Procurement List rules and the Qualifications for Participation rules. The Committee brought up the following issues with the rules:

Ms. Bates said she would like to see the language removed prohibiting the CRPs to include rehabilitation costs when pricing a contract. There was concern expressed about this because this could put the costs out of the fair market price range. The Committee decided after much discussion and debate to remove this language.

The Committee wanted to maintain the language “to maintain 75% workers with disabilities on the sum of all state use contracts” instead of the proposed language of “to maintain 75% workers with disabilities on the sum of each state use contract.”

Ms. Hall pointed out two changes that have come about because of the complaints with the laundry contract from a vendor. “When the current vendor is a small business and the individual service or commodity in question comprises 25% or more of the total annual sales of that business, the current vendor will not be displaced, unless the agency requests a change in a vendor or the vendor leaves the contract voluntarily. The CNA is to provide the Committee with the name(s) of the small business(s) and the percentage of the impact to the business(s) if the commodity or service is lost.” In the old language it was 33%. The DOA also added the Committee was to provide a 60-day notification to a current vendor of a service or commodity prior to consideration on the statewide contract and to give them the opportunity to appear before the Committee. The Committee wanted to change the percentage back to the 33%.

The Committee asked Ms. Hall to provide them with a copy of the rules without the strikethroughs and underlining for them to review. Approval will be done via e-mail.

MOTION #3

Mr. Sullivan moved to adjourn.